The Purchasing Habits of Consumers Concerning Online Shopping: An Empirical Study on Dhaka City Residents

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Abstract

Online shopping has gained immense popularity and importance all over the world. Online shopping across the globe has gained tremendous importance and popularity. When you think about all the ways a chatbot can be used to market to your customers and improve your customer service, it is no wonder why it is positioned as a leading tool for marketing. The research takes a look at consumer behavior in internet shopping on top of this to recognize elements influencing consumers to shop online. It is an empirical research design study. This study was done in Dhaka City, Bangladesh, for a whole month from May 1, 2024, to May 31, 2024. A sampling technique called Convenience Sampling is used to collect 212 samples through Google Forms. The study used both primary and secondary data. The data is shown using bar diagrams, pie charts, and percentages. It was found that people shop online rather than offline. They shop once a month, mainly for electronic gadgets and clothes. And the customer feels super comfy and safe buying stuff online. It was also found that online shopping is cheaper, and the quality of products is good. The research concludes that customer behavior towards online shopping is influenced by various factors like age, gender, price satisfaction level & more. Basically, people's habits and different things affect how they shop online.

Keywords: online shopping, purchasing behavior, empirical research, convenience sampling, customer behavior, etc.

1. Introduction:

Online shopping has changed how people buy things and services in this digital age by providing a huge selection and making the process much easier. This change is especially noticeable in cities, where more people have access to the Internet and know how to use it. It's interesting to look at how people buy things in Dhaka, the busy central city of Bangladesh, because it shows how the market is changing so quickly. This piece discusses a real-life study examining how people in Dhaka city shop online. The goal was to find out what makes them decide what to buy, what they like, and how satisfied they are with e-commerce platforms. Businesses can better meet the needs of this growing group of people by knowing these dynamics. This will improve the customer experience and lead to even more growth in the digital market.

Technology is evolving with time and flow. Today's technology is so rich and advanced that the days of crowd shopping are over. Due to the rapid growth of technology, the internet has revolutionised how we shop. Electronic ones have replaced the old ways of buying and selling things. Nowadays, shopping opportunities are available at home with the help of the internet. Just as we like, we will get the product at home. Just click the mouse to choose the product and wait for the order. On the one hand, people are benefited from the introduction of online shopping. In the meantime, some people are doing business by opening pages or groups on Facebook. Others are running businesses through their website on a large scale.

According to the Bangladesh Association and Information Service (BASIS) data, the number of online shops in the country has increased to more than 2 thousand and the number of people shopping online is about 13 lakhs. More than 200 crore takas are transacted annually through the institutions (Ahmed, 2022).

With the development of technology, people's quality of life has improved a lot. So today there is no difficulty in shopping despite the heavy crowd. Everyone is now interested in getting the benefits of e-commerce.

All types of daily necessities are available in e-commerce establishments. Such as clothes, cosmetics, gold or diamond jewelry, electronics, smart gadgets, household items, raw markets, fish, and meat. By doing this, a person is now getting everything he needs without leaving the house. In the digital age, online shopping has become an essential part of our lives. Bangladesh, with its burgeoning e-commerce industry, offers many options for online shoppers (Islam, 2024). There are thousands of online shopping websites and online shopping apps in Bangladesh. Customers can easily order their daily essentials and get the items delivered to their homes after a specified time. Some online shopping websites like Daraz, Othoba, Chaldal, and Rokomari are ahead in the race to become Bangladesh's biggest online shopping mall.

Consumer behavior is involved in the online shopping system. To carry out an online shopping program successfully, analyzing consumer behavior tries to determine what product the consumer buys, why he buys it, how he buys it, and when he buys it, etc., which is a prerequisite of the marketing process. This article will shed light on the buying behavior of residents living in Dhaka in terms of online shopping.

2. Literature Review

After settling on a research issue, the next step is to read everything written about it. The researcher has the option of consulting either conceptual or empirical literature. Prior studies comparable to the present research issue are the focus of the empirical literature, while the conceptual literature focuses on ideas and theories. The researcher has to do a thorough literature study of the topic. The present research drew on a wide range of literature reviews covering internet purchasing, customer attitude & perception, gender differences, consumer behavior, and so on.

Much research has been done on the rise of online shopping in different areas and with different types of people, showing clear trends and factors that affect them. The psychological, social, and economic factors shape consumer behavior in the digital age. There are many cultural and societal norms on purchasing decisions, which is particularly relevant to understanding the unique behaviors of Dhaka city residents (Solomon, 2023). The role of convenience, product variety, and price comparison in driving online shopping trends, are factors that are likely to influence the purchasing habits of urban consumers in Dhaka (Kanuk, 2018).

The way people and businesses act has changed because of online shopping. Regarding social media, online advertising, and online shopping, it's important to know what people think, feel, and do. Businesspeople, students, and marketers are all trying to figure out what online events help customers stay loyal to a brand (Scheinbaum, 2012). Consumers prefer online shopping for electronic gadgets and clothes due to convenience, security, lower prices, and better product quality compared to offline shopping (Kumari, 2023).

Socio-economic conditions, customer attitudes, trust in banking/UPI payment systems, reliability of e-commerce apps, and online product marketing significantly influence online purchases in Bihar, India (Rao, 2023). Psychological factors such as perception, attitude, motivation, emotion, and trust significantly influence consumers' shift toward online buying behavior (Kaur, 2018). Consumers increasingly trust online shopping sites due to increased competition, better quality, and privacy concerns, but they also face privacy concerns and privacy concerns when shopping online (Kaur, 2018).

Consumers use the Internet to compare prices, product features, and after-sale service facilities when shopping for goods and services, enabling companies to efficiently reach existing and potential customers (Grover, 2022). Consumers behave differently while shopping online compared to the physical market, with price, time-saving, and convenience being important factors influencing buying behavior in online shopping. This insight underscores the significance of convenience and cost-effectiveness in driving consumer purchasing habits in online shopping (Monzón, 2021). Consumers' online shopping behavior is being affected by several factors like demographic factors, social factors, consumer online shopping experience, knowledge of using the internet and computer, website design, social media, situational factors, facilitating

conditions, product characteristics, sales promotional scheme, payment option, delivery of goods and after-sales services play an important role in online shopping (Parmar, 2019).

This study aims to look into how people in Dhaka city usually buy things online. Online marketing can be used on a huge scale, which means there is a huge possibility for online sales. Online sellers are now more interested in Internet marketing than before this change. Several things affect how and what people do when they shop online, such as their age, gender, the price, the type of product, how convenient it is, how satisfied they are with the purchase, and so on.

3. Purpose of The Study

The major aims of this study are as follows:

(i) To examine how demographic factors influence online shopping behavior among Dhaka city residents.

(ii) To identify the primary motivations and factors that drive consumers in Dhaka to shop online.

(iii) To determine consumer preferences regarding various aspects of online shopping.

(iv) To research the shopping behaviors of internet customers.

4. Research Methodology

4.1 Research Design

Population and Range of the Study

This study was conducted in Dhaka City, Bangladesh. Dhaka's current metro area population is 23,936,000 (Dhaka, Bangladesh Metro Area Population 1950-2024, n.d.).

Sample Unit and Sample Size

For this study, the sample unit consists of 212 people who live in the city of Dhaka.

Sampling Method

The researchers utilised a convenience sampling method in this particular study.

Data Collection Process

Primary Data: Most of the research findings are derived from data provided by the sample itself, and all analyses were conducted utilising this data. Within a month, the poll received 212 responses. Seven out of the 212 replies did not have the necessary information, and as a result, those responses were ignored.

Secondary Data: Due to limitations in time and financial resources, it is not practical to conduct surveys to gather information on the impact of e-commerce on customers. To overcome this issue, researchers rely on secondary sources such as scholarly articles, studies, and case reports.

Research Tool

Primary data was collected using an online survey through Google Forms utilizing a standardized questionnaire. Responses were collected using an online survey hosted on various web tools. Google Forms is software that enables individuals to create and send their surveys in a simplified online form.

Tools of analysis

The statistical analysis in this survey study applied bar diagrams, pie charts, and the percentage technique.

## 5. Data Analysis And Interpretation

In this regard, the questionnaire results and a summary of the data collection for each response are presented and discussed.

Using Google Forms, 212 customers were surveyed to inquire about their experiences with online purchase of items. Look at the responses that are provided below:

5.1 Demographic Profile

A population's demographic profile is comprised of all of its features. Demographics are used in surveys to determine age, sex, marital status, educational qualification, annual income, profession, number of shoppers, type of product and money spent.

Age

Age
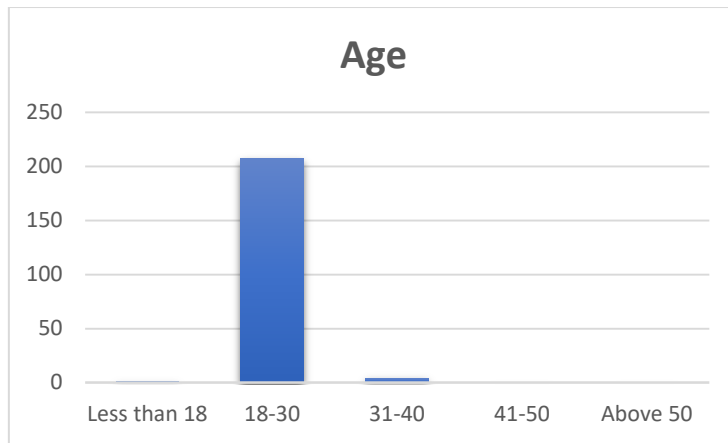
Most of the people who answered are young: 97.6% (207) are between the ages of 18 and 30. One person (0.5%) is younger than 18 years old, four people (1.9%) are between the ages of 31 and 40, and no one is younger than 35 to 50. There are no people over the age of 50.

Gender
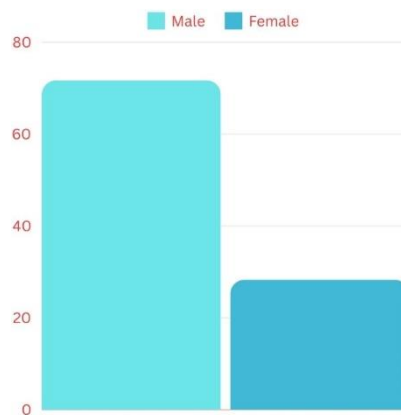
From 212 responses, the bar chart shows how the results were split up by sex. The information is split into two groups: Male and Female. Men make up 71.7% of those who answered. There are 212 replies, which means that about 152 of them are from men. 28.3% of those who responded are women. These 212 replies mean that about 60 of them are from women. This data shows that there were many more male responders than female respondents.
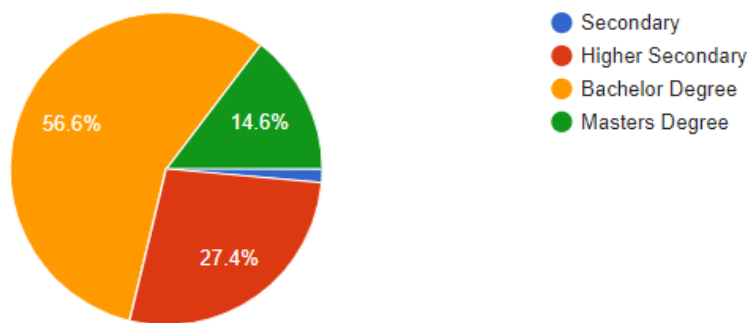
Marital Status
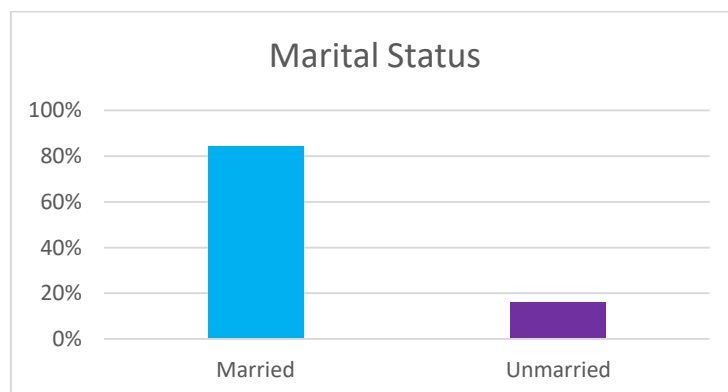
The bars show the respondents' marital status, which is split into two groups: Married and Not Married. 84% of those who answered are married, which is a large majority. This means that many of the people in the sample are married. Another smaller group of respondents, only 16% of the sample population, are unmarried. There is a big difference in the marital status of the interviewees, with most of them being married.

Education Qualification

Education Qualification

212 responses

Legend:
- Secondary
- Higher Secondary
- Bachelor Degree
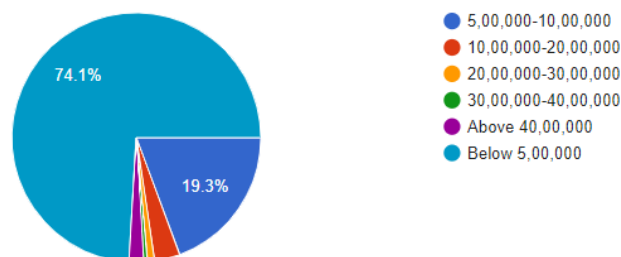- Masters Degree

Pie chart labels: 56.6%, 14.6%, 27.4%

The pie chart shows the levels of schooling of the 212 respondents, split into four groups: secondary, higher secondary, bachelor's degree, and master's degree. Few people who answered (less than 1%) have completed high school. Twenty-seven per cent of those who responded have finished high school. 56.6% of those who answered have at least a bachelor's degree and 14.6% have a master's degree. Based on these numbers, most responders have at least a bachelor's degree. Those with higher secondary and master's degrees are next, and very few have only a secondary education.

Annual Income

Annual Income

212 responses

Legend:
- 5,00,000-10,00,000
- 10,00,000-20,00,000
- 20,00,000-30,00,000
- 30,00,000-40,00,000
- Above 40,00,000
- Below 5,00,000

Pie chart labels: 74.1%, 19.3%

The pie chart shows how the 212 respondents' annual incomes were split between six different income groups. Below 5,00,000: 74.1% of the people who answered have a yearly income of less than 5,00,000, which is the most significant income group. 5.00 lakhs to 10 lakhs: 19.3% of those who answered are in this income band. 1,000,000 to 2,000,000: This group of responders is tiny and can hardly be seen on the chart. 20,00,000–30,00,000: Like the last group, this one has few respondents. 30,000,000 to 40,000,000: This group also has a minimal number of responders. Above 40,000,000: In this group, responders are the least likely to be present. To sum up, most people who answered have an annual income of less than 5,000,000 taka, with only a tiny percentage making more than that.

Profession

Profession

212 responses
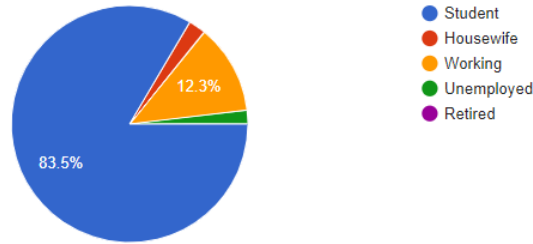
The 212 people who answered the survey were divided into five groups based on their profession: Student, Housewife, Working, Unemployed, and Retired. Students comprise 83.5% of the respondents, making them the biggest group. 12.3% of the people who answered are working. The number of people in the "unemployed" group is even smaller. Most of the people who responded are students, with a sizeable portion also having jobs. Tiny numbers of people answered that they were housewives, were jobless, or were retired.

Number of Shoppers

Do you make purchases on online stores?

212 responses
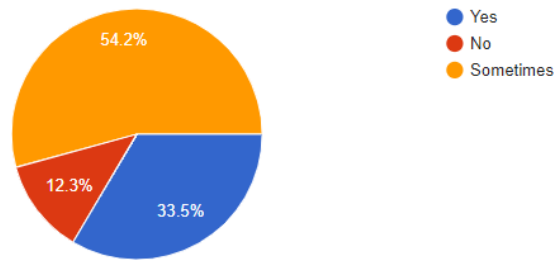
The answers of 212 people asked, "Do you buy things from online stores?" are shown in the pie chart. Most of the people who answered (54.2%) said they sometimes buy things from online shops. 33.5% of those who responded said they do buy stuff from online shops. 12.3% of those who answered do not shop at online stores. To sum up, most of the people who responded (54.2%) sometimes buy things online, a good number (33.5%) always buy things online, and a smaller number (12.3%) never shop online at all.

Type of Product

**What type of products do you buy?**

212 responses
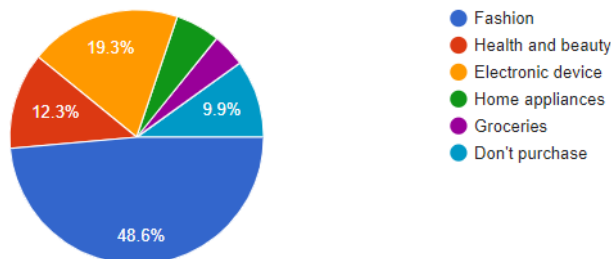
The answers that 212 people gave to the question "What kind of products do you buy?" are shown in the pie chart. The largest group of people who answered, 48.6%, said they buy fashion items. Health and beauty items are bought by 12.3% of those who answered. 19.3% of those who answered purchased electronic items. 9.9% of those who answered buy home goods. 9.9% of those who answered buy food. A very small group of people who answered (not shown in the picture) said they don't buy anything online. The most common type of online buy among the people who answered (48.6%) was fashion items. This was followed

by electronics (19.3%) and health and beauty items (12.3%). It's also possible to buy groceries and home goods, though not as much (9.9%).

Money Spent

What is the average amount of money you spend on online shopping?

212 responses

Legend:
- Below 1,000
- 1,000-5,000
- 5,000-10,000
- Above 10,000
- Don't spend

38.2% / 11.8% / 41.5%
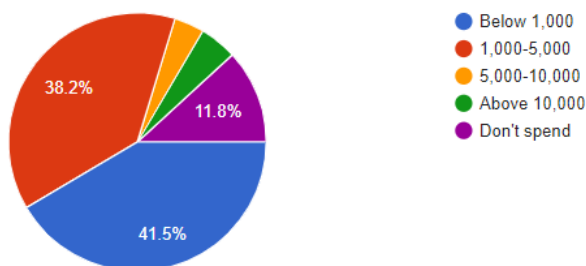
212 people were asked, "What is the average amount of money you spend on online shopping?" and their answers are shown in a pie chart. When people shop online, 41.5% spend less than 1,000 rubles. Among those who answered, 38.2% spent between 1,000 and 5,000 yen. 7.5% of those who answered spend between 5,000 and 10,000 rupees. 1.9% of those who answered spend more than 10,000. 11.8% of those who answered do not spend money when they shop online. To sum up, 41.5% of those who answered spend less than 1,000 rupees on online shopping, while 38.2% spend between 1,000 and 5,000 rupees. Only 7.5% spent between 5,000 and 10,000 rupees, and only 1.9% spent more than 10,000 taka. Also, 11.8% of those who answered do not spend any money when they shop online.
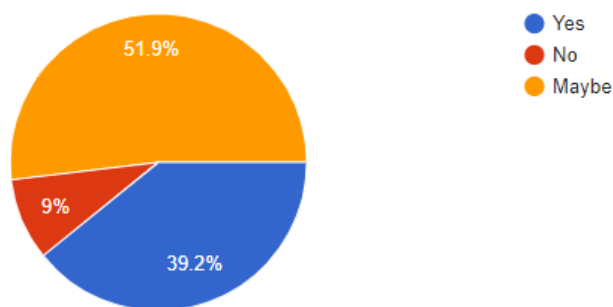
5.2 Other Profiles

Various factors motivate the consumer to buy products online, such as satisfaction with retail price, mode of payment, safety feelings, decision factors, and security.

Satisfaction with Retail Price

Are you happy to pay the retail price of the products of online?

212 responses

Legend:
- Yes
- No
- Maybe

51.9% / 9% / 39.2%

"What is the average amount of money you spend on online shopping?" was asked of 212 people, and the pie chart shows their answers. 41.5% of those who answered spend less than $1,000 when they shop online. Three eighteenths of those who answered spend between 1,000 and 5,000 rupees. 7.5 percent of those who answered spend between 5 and 10 thousand rupees. Just under 1.9 percent of those who answered spend more than 10,000. One eleventh of those who answered do not spend money when they shop online. Overall, 41.5% of those who answered spend less than 1,000 rupees when they shop online. The next most common amount spent is between 1,000 and 5,000 rupees, by 38.2%. Fewer people spend between 5,000 and 10,000 rupees (7.5%), and even fewer spend more than 10,000 rupees (1.9%). 11.8% of those who answered also say they don't spend any money when they shop online.

Mode of Payment

How do you pay for things when you shop online?

212 responses

- Credit/Debit Card
- Mobile Banking
- Cash on Delivery
- Others

79.2%

11.8%
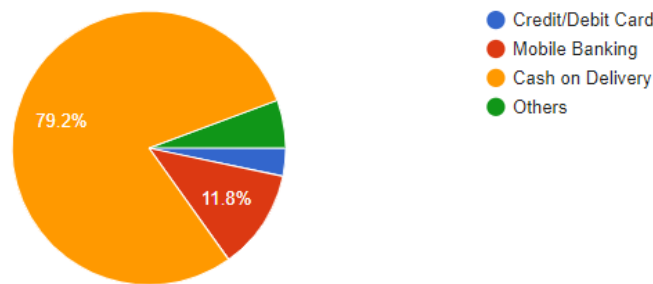
The pie chart shows the ways that 212 people who answered the survey paid for things they bought online: It was chosen by 79.2% of responders that cash on delivery is the best way to pay. If you prefer to pay when you receive the things, it's probably because you don't trust the seller or it's more convenient. Mobile Banking is used by 11.8% of those who answered, which shows a modest preference for digital payment methods. Only 6.1% of respondents chose to use a credit or debit card, which could mean they are worried about internet security or that credit or debit cards aren't widely used. Other payment ways make up 2.8%, showing people have different payment preferences. In short, most people who answered liked Cash on Delivery as a payment method the most. Mobile Banking came in second. Credit and debit cards aren't used often, which shows that the people polled might have trouble switching to electronic payments.

Safety Feelings

Do you feel safe shopping online?

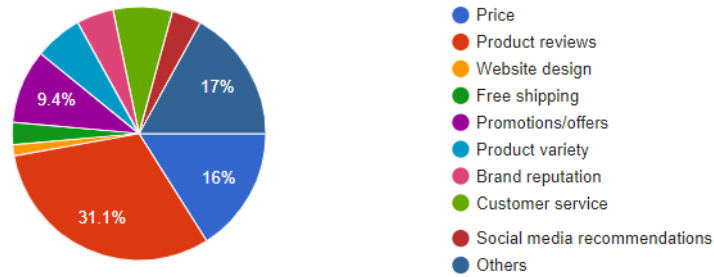212 responses

- Yes
- No
- Maybe

47.6%

14.6%

37.7%
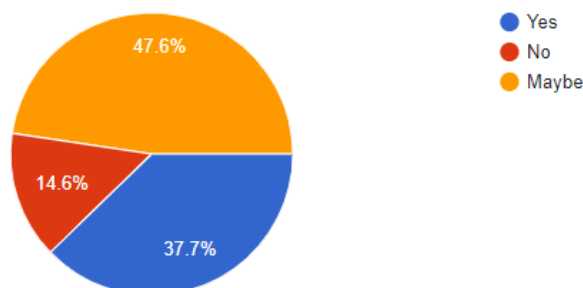
The pie chart shows what 212 people said about how safe they felt when shopping online: 37.7% of those who answered said they feel safe shopping online, which shows that a big chunk of the population trusts online shopping sites. 14.6% of those who answered don't feel safe shopping online because they are worried about scams, security, or privacy. 47.6% of those who responded aren't sure (Maybe) about their safety while shopping online, which suggests that they don't know for sure or have had mixed experiences with online shopping safety. Overall, a lot of people who answered the survey feel safe shopping online, but a big chunk of them either don't feel safe or aren't sure if they are safe. This shows that online stores need to address security issues and build trust with customers.

Decision Factors

What factors influence your online shopping decisions?
212 responses

The pie chart shows the different things that 212 respondents said affected their choices to shop online. Here are the factors and the numbers that go with them: Website design is the most important feature, affecting 31.1% of those who answered decisions to shop online. This shows how important it is to have a website that looks good and is easy for people to use. Price is also a big deal for 17% of those who answered. This means that offering competitive prices is important for getting and keeping people. For 16% of those who responded, product reviews are very important. This shows that customer comments and ratings are critical in the decision-making process. Free shipping affects 9.4% of those who answered, and deals and sales draw in 7.5% of shoppers. Also, the variety of products and the company's reputation are important to 7.1% and 5.7% of respondents, respectively. Customer service and social media suggestions have less effect, affecting only 3.3% and 2.8% of those who answered, respectively. In short, the most important things that make people decide to shop online are a well-designed website, competitive prices, and good reviews of the products being bought. Customers are also drawn in by things like free shipping, sales, a wide range of products, and the brand's name.

Security

Do you think it's safe to shop online?
212 responses
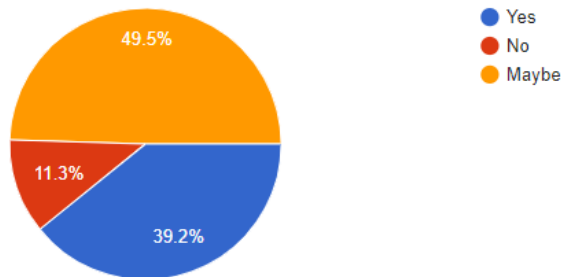
The answers of 212 people were shown in the pie chart when asked how safe they thought it was to shop online. Fourteen ninety-five per cent of those who answered aren't sure if online shopping is secure, which shows a high level of doubt or lack of trust. It's safe to shop online, according to 39.2% of those who answered, which shows that many people trust the safety steps of online platforms. 11.3% of those who responded do not think it is safe to shop online, which shows that people are worried about the risks of doing business online. Overall, many people are sure that shopping online is safe, but a larger group is still not sure. This means that online stores need to improve security measures and let customers know about these changes in a clear way to gain their trust.

6. Findings Of The Study
This study surveyed 212 customers to investigate their experiences and perceptions of online shopping. Below are the key findings based on the demographic and other relevant data collected:
Demographic Profile

i. Age: Most respondents (97.6%) are young, between the ages of 18 and 30. Only a few respondents are between the ages of 31 and 40 (1.9%), and there are no respondents over 50.
ii. Gender: Out of 212 respondents, 71.7% are male, and 28.3% are female, indicating a higher male participation in the survey.
iii. Marital Status: Most respondents (84%) are married, while 16% are unmarried.
iv. Education Qualification: Among the respondents, 56.6% have a bachelor's degree, 27.4% have a higher secondary education, 14.6% have a master's degree, and less than 1% have only secondary education. This indicates a highly educated sample population.
v. Annual Income: Most respondents (74.1%) have an annual income below 500,000. Smaller proportions fall into higher income brackets, with only 19.3% earning between 500,000 and 1,000,000 and even fewer earning more than 1,000,000 annually.
vi. Profession: A significant portion of respondents (83.5%) are students, followed by working individuals (12.3%). Very few respondents are housewives, unemployed, or retired.
vii. Number of Shoppers: More than half of the respondents (54.2%) sometimes shop online, 33.5% regularly shop online, and 12.3% do not shop online at all.
viii. Type of Products Purchased: The most commonly purchased products online are fashion items (48.6%), followed by electronic devices (19.3%) and health and beauty products (12.3%). Home appliances and groceries are each bought by 9.9% of respondents.
ix. Average Spending: Most respondents (41.5%) spend below 1,000 on online shopping, followed by 38.2% who spend between 1,000 and 5,000. Only 7.5% spend between 5,000 and 10,000, and 1.9% spend more than 10,000. Additionally, 11.8% do not spend money on online shopping.

Other Profiles
i. Satisfaction with Retail Price: Most respondents (51.9%) are unsure about their satisfaction with retail prices, while 39.2% are satisfied, and 9% are not satisfied.
ii. Mode of Payment: The preferred payment method for most respondents (79.2%) is cash on delivery. Mobile banking is used by 11.8%, and credit/debit cards by 6.1%.
iii. Safety Feelings: Many respondents (47.6%) are uncertain about online shopping safety; 37.7% feel safe, and 14.6% do not feel safe shopping online.
iv. Decision Factors: The most influential factors for online shopping decisions are website design (31.1%), price (17%), and product reviews (16%). Free shipping, promotions, product variety, and brand reputation influence decisions, but to a lesser extent.
v. Security Perception: A significant portion of respondents (49.5%) are unsure if online shopping is safe; 39.2% believe it is secure, and 11.3% believe it is not safe.

7. Conclusion

The findings indicate that while many young, educated individuals engage in online shopping, there is still a significant level of uncertainty regarding safety and satisfaction with retail prices. The preferred payment method remains cash on delivery, reflecting possible concerns about online transaction security. The most influential factors in shopping decisions are website design, price, and product reviews. To increase consumer confidence and satisfaction, online retailers must address security concerns, improve user experience, and ensure competitive pricing.

8. Limitations of The Study

The limitations of the study are not explicitly stated in the provided document. However, based on the content, the following limitations can be inferred:
i. Sample Demographics: The study's sample is heavily skewed towards young adults (18-30 years old) and predominantly male respondents (71.7%). This demographic imbalance may limit the generalizability of the findings to other age groups and female consumers.

ii.   Marital Status: A large majority of respondents (84%) are married, which may not accurately reflect the diversity of marital statuses in the general population. This could influence the types of products purchased and shopping behaviors observed.

iii.   Educational Qualification: The majority of respondents have at least a bachelor's degree (56.6%), which may not represent the broader population with varying educational backgrounds. Higher education levels could correlate with different online shopping habits and preferences.

iv.   Income Distribution: Most respondents have an annual income of less than 500,000 Taka (74.1%). This concentration in a lower income bracket may affect the types of products purchased and the spending behavior observed in the study.

v.   Profession: The sample is dominated by students (83.5%), which may not provide a comprehensive view of the online shopping behaviors of other professional groups such as working professionals, housewives, unemployed, and retired individuals.

vi.   Geographic and Cultural Bias: The study does not provide information about the geographic location of respondents, which could impact online shopping behavior due to cultural and regional differences in internet usage and e-commerce adoption.

vii.   Survey Method: Using Google Forms for data collection may introduce self-selection bias, where individuals who are more comfortable with technology and online surveys are more likely to participate, potentially skewing the results.

viii. Response Accuracy: The reliance on self-reported data can introduce biases, such as social desirability bias, where respondents may overreport positive behaviours (e.g., feeling safe shopping online) and underreport negative behaviours.

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